

**CONFIDENTIAL**ER 0-5842  
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To: Executive

From: Budget Officer

5 August 1949

Subject: Authorization for Payment of Premiums or Costs of Surety Bonds

1. Section 10 (a)(1) of Public Law 110, approved 20 June 1949, provides for "payment of premiums or costs of surety bonds for officers or employees without regard to the provisions of 61 Stat. 646 (6 U.S.C. 14.)"

2. There are several types of bonds which are required by law or agency regulations as a protection to the United States Government and certain of its officials. These include, but are not necessarily limited to, bonds for individuals in the following positions:

- (a) Certifying Officers
- (b) Agent Cashiers
- (c) Vice-Consuls or other Foreign Service designees
- (d) Cashier-messenger

These bond requirements are imposed upon certain officers and employees of the agency for purposes other than their own protection and are not necessitated because of personal reasons or demands. (Such as a bond for a travel advance which would require the premium payment to be made from personal funds.)

3. Since some bond premiums will be due in the near future, it is desired to obtain authorization from the Director to effect payment from CIA funds. Subject to basic authorization by the Director, payments in individual cases will be based on the determination that the bond requirement is a primary benefit to the Government and/or CIA rather than personal to the officer or employee concerned.

/s/  
E. R. SAUNDERS

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TO: Budget Officer

APPROVED

9 AUG 1949  
SIGNED

R. H. HILLENKOTTER  
Rear Admiral, USN  
Director of Central Intelligence

cc: General Counsel  
Management Officer  
Executive (CFR)  
Signer

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